

CONTRACT

KNOW ALL MEN BY THESE PRESENTS:

This Contract made this NOV 14 2016 2016 in Taguig City, by and between:

The **NATIONAL NUTRITION COUNCIL**, a government agency attached to the Department of Health, with office address at Nutrition Building, 2332 Chino Roces Avenue Extension, Taguig City, represented herein by its Executive Director IV, **ASSISTANT SECRETARY OF HEALTH MARIA-BERNARDITA T. FLORES, CESO II** herein referred to as "**NNC**";

and

CREATIVEROW ADVERTISING (ADROW CREATIVES, INC), an integrated marketing communication agency with office address at 21 F Strata 100 Bldg., F. Ortigas Jr. Road, Ortigas Business Center, San Antonio, Pasig City, represented herein by its Administrative Lead, **SOFRONIO M. FUERTE**, herein referred to as "**CREATIVEROW**".

WITNESSETH

WHEREAS, the NNC is tasked to spearhead the Early Childhood Care and Development Intervention Package for the First 1000 Days (ECCD F1K) Program that involves integrating services on health, nutrition, early education, and social services;

WHEREAS, one of the components of the ECCD F1K Program is the promotion of key behaviors on ECCD through the use of mass media, particularly television and radio, to be able to reach the general public;

WHEREAS, for this purpose, the NNC shall hire the services of a media group to produce nutrition plugs and handle NNC's media placements about the ECCD F1K Program;

WHEREAS, the NNC Bids and Awards Committee (BAC), through BAC Resolution No. 011-2016 hereto attached as Annex 1 which is an integral part of this contract, recommended the hiring of **CREATIVEROW** after public bidding to produce nutrition plugs and handle NNC's media placements about the F1K Program;

WHEREAS, **CREATIVEROW** has signified its willingness to support the NNC in its media placements under the F1K Program;

NOW THEREFORE, for and in consideration of the foregoing premises hereinafter stipulated, the parties have agreed as follows:

MARIA-BERNARDITA T. FLORES, CESO II
Assistant Secretary of Health/Executive Director IV

1. **CREATIVEROW** shall perform the tasks required for media placements as indicated in the Terms of Reference hereto attached as Annex 2 and is made an integral part of this contract.
2. The **NATIONAL NUTRITION COUNCIL** shall:
 - a. perform the functions as per Terms of Reference (Annex 2); and
 - b. process payment to the contractor upon receipt of the required deliverables.

3. **Timetable**

The project will be implemented within a period of six (6) months which will commence upon issuance by NNC of the Notice to Proceed to include pre- and post-production activities, implementation of the media placements and submission of final deliverables.

4. **Project Cost**

The total project cost is **FIFTY SIX MILLION ONE HUNDRED NINETY SEVEN THOUSAND SEVEN HUNDRED EIGHTY NINE PESOS (Php56,197,789.00)** inclusive of VAT, chargeable against Locally-Funded Projects for the ECCD Program component of the NNC funds, subject to the usual government accounting and auditing rules and regulations.

5. **Terms of payment**

CREATIVEROW shall be paid through domestic letter of credit (LC) upon presentation of certificate of acceptance from the NNC of which shall be based upon submission of required deliverables for each of the following tranches of payment:

Schedule of Payment	Amount (Php)
First payment (10%) – upon submission of approved proposal for TV and radio plugs and segment buys	5,619,778.90
Second payment (15%) – upon submission of approved story boards for 3 TV plugs, scripts for 3 radio plugs and 12 segment buy scripts and report of pre-test	8,429,668.35
Third payment (30%) – upon receipt of approved final 3 TV plugs and 3 radio plugs	16,859,336.70
Fourth payment (15%) – upon receipt of media buying schedule which includes TV, radio and segment buy for the 1 st month of media airing schedule	8,429,668.35

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Schedule of Payment	Amount (Php)
Fifth payment (10%) – upon receipt of Certificates of Performance and CD-on-air for Month 1 of actual airing of TV and radio plugs; 4 segment buys and additional media values; and submission of 2 nd month media airing schedule.	5,619,778.90
Sixth payment (5%) – upon receipt of Certificates of Performance and CD-on-air of actual broadcast or airing for 2 nd Month of TV and radio plugs; 4 segment buys and additional media values; and submission of 3 rd month media airing schedule	2,809,889.45
Seventh payment (5%) – upon receipt of Certificates of Performance and CD-on-air of actual broadcast or airing for Month 3 of radio and TV plugs; 4 segment buys; and submission of 4 th month media airing schedule	2,809,889.45
Eighth payment (5%) – upon receipt of Certificates of Performance and CD-on-air of actual broadcast or airing for Month 4 of radio and TV plugs	2,809,889.45
Ninth payment (5%) – upon receipt of Certificate of Performance for missed spots, if any; project completion report and audited financial report within one month from the date of last airing	2,809,889.45
TOTAL	56,197,789.00

6. **Ownership**

NNC shall own all the deliverables of the contractor including the creatives produced as part of this project.

7. **Related Documents.** The following documents shall form part and are incorporated in this Contract:

- a. Terms of Reference;
- b. Request for Expression of Interest; and
- c. Purchase Request.

In the event that any provision of this Contract is inconsistent with any of the aforesaid documents, the provision in this Contract shall prevail. Further, the hierarchy of the enumerated documents shall be in accordance with the order these documents were enumerated in this Contract.

8. **Penalty Clause**

This contract shall be implemented as agreed upon in accordance with the terms and conditions stipulated herein. Failure on the part of **CREATIVEROW** to comply with the provisions of this contract shall be cause for the imposition of appropriate penalties and/or the contract's termination.

A penalty of one tenth of one per cent of the undelivered amount of the total project cost will be deducted from the final payment for every day of delay in the implementation of the project for causes attributable to **CREATIVEROW**. However, in the event where work is delayed due to delays in the approval of the materials by NNC or other reasons beyond the control of **CREATIVEROW**, both parties shall mutually concur and agree in writing on a revised schedule or workplan.

In the case of termination of the contract prior to its expiration for causes attributable to **CREATIVEROW**, the NNC has the right to confiscate its performance security. NNC will also recommend **CREATIVEROW** for blacklisting and the contractor shall be paid on a *quantum meruit* basis.

9. **Duration and Effectivity**

This Contract shall take effect on the date of the issuance of Notice to Proceed by the NNC to **CREATIVEROW** and shall remain in force for a period of 1 year, unless otherwise modified or amended by mutual consent of parties concerned. Provisions of this Contract may be modified, altered, supplemented or amended subject to the mutual written agreement of both parties.

10. **Termination**

This Contract may be terminated pursuant to the provisions of RA 9184 and its IRR, as well as pursuant to item 2 (b) of this Contract. If the basis of termination is pursuant to item 2 (b) of this Contract, **CREATIVEROW** may request for a reconsideration within fifteen (15) days from receipt of the Termination on the ground that it has already addressed the specific concern/s of NNC as reflected in the pertinent evaluation reports. NNC shall validate such **CREATIVEROW**'s claim.

11. **Venue**

In case of disputes arising from the interpretation or implementation of this Contract, the courts of Taguig City shall have exclusive jurisdiction to the exclusion of all other courts.

IN WITNESS WHEREOF, the parties hereto have signed this Contract, this
2016 at QUEZON CITY, Philippines.

NOV 14 2016

MARIA-BERNARDITA T. FLORES, CESO II
Assistant Secretary of Health/Executive Director IV

CREATIVEROW ADVERTISING

SOFRONIO M. FUERTE
Administrative Lead

NATIONAL NUTRITION COUNCIL


ASSISTANT SECRETARY OF HEALTH
MARIA-BERNARDITA T. FLORES, CESO/II
Executive Director IV

SIGNED IN THE PRESENCE OF:


MARK M.J. MONTEHERMOSO
Senior Accounts Lead


ROSSANA S. QUILLOPE
Chief, Financial and Management Division

DEBITED TO THE NATIONAL
FUND PURSUANT TO LOI No.
IN THE AMOUNT OF ₱ 56,197,789-
ROA NO. 02-101101-2016-11-1546


VILMA G. QUIMBAO
Accountant III 11/10/16

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES

City of QUEZON CITY) S.S.

NOV 14 2016

BEFORE ME, Notary Public for and in this jurisdiction, the _____ 2016, in
QUEZON CITY Philippines, personally appeared:

SOFRONIO FUERTE

ID No. 265-953-227-000

MARIA-BERNARDITA T. FLORES

GSIS ID NO: CRN 006-0100-4193-0

Both known to me to be the persons who executed the foregoing instrument and they acknowledged to me that the same is the lawful and official act and deed and that they are duly authorized to sign the same.

This Contract consisting of _____ pages including this page on which this acknowledgement is written, have been signed by the parties and their witnesses.

IN WITNESS WHEREOF, I have hereunto set my hand on the day, year and place first-above-written and affixed with my notarial seal.

Doc. No. 291

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Book No. 147

Series of 2016

JOEL G. GORDOLA

Notary Public

Commission expires until December 31, 2017

Adm. No. 069, Roll No. 25103, IBP No. 1013094

PTR No. 1876282; 1/04/16; Q.C

TIN 126-768-809; MCLE No. V-0001531

Until 1 # 878 Quirino Highway, Gulod, Novaliches, Q.C